

# Financial Aid News

## WASHINGTON HIGHER EDUCATION COORDINATING BOARD

### Online resources for aid administrators

- [Higher Education Coordinating Board Web site](#)
- [HECB secure Web site for aid administrators](#)
- [State Need Grant](#)
- [State Work Study](#)
- [Washington Promise Scholarship](#)
- [Educational Opportunity Grant](#)
- [Washington Scholars Program](#)
- [WAVE](#)
- [Other state aid programs](#)
- [Past issues of the \*Financial Aid News\* and other publications](#)
- [Washington Financial Aid Association](#)
- [Western Association of Financial Aid Administrators](#)
- [Western Association of Student Employment Administrators](#)
- [National Association of Student Financial Aid Administrators](#)



Higher Education  
Coordinating Board

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### Issue 22 — March 14, 2003

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#### No *News* next week

There will not be a *Financial Aid News* next week. Look for us in your electronic inboxes again on Thursday, March 27.

If there are important developments to report before the next issue, Higher Education Coordinating Board staff will send an email message. And of course, you can always contact us with your questions at (360) 753-7850.

#### SWS survey of expenditures due March 21

The State Work Study (SWS) program's most recent survey of expenditures is due Friday March 21. Board staff sent the survey to financial aid and student employment administrators last week. This survey gives colleges and universities an opportunity to request additional SWS funds or turn back a portion of their allotment for redistribution to other institutions. For more information, contact Cindy McBeth at [cindym@hecb.wa.gov](mailto:cindym@hecb.wa.gov) or (360) 753-7842.

## **Unit Record work group still open for membership**

As the *News* reported last week, the Board will convene a group of institutional financial aid administrators and information technology staff responsible for Unit Record reporting. There is still space available in this group, which will discuss current reporting issues and possible changes to Unit Record requirements. The group will probably meet twice — in April and June.

If you or your information technology staff want to participate, please contact Bruce Parrish at [brucep@hecb.wa.gov](mailto:brucep@hecb.wa.gov) or (360) 753-7853.

## **With the economy in the dumps, aid offices find business is booming**

Unemployment may be rising, but financial aid offices have plenty of work.

As the economy continues to slump, more families are applying for financial aid. According to a report in *The New York Times*, aid requests this year are outstripping those of previous years by dramatic margins. Deadlines haven't even passed at most schools, but several have received significantly more financial aid applications than last year. Applications are up 50 percent over last year at Skidmore College in New York; 39 percent at the University of Michigan; 30 percent at Bowdoin College in Maine and Willamette University in Oregon; and 20 percent at Occidental College in Los Angeles.

And it's not just new applicants that are raising the workload. Requests for special consideration from renewal applicants are also on the rise.

"It's stunning," said Suzanne Guard, financial aid director at Barnard College. "It seems that every fifth or sixth (aid application) says, 'I'm scheduled to be laid off, I've been laid off, I've been out of work for a year, I'm still looking.' The difference this year is so obvious to us."

All of this comes at a particularly bad time. A sour economy has increased the work in aid offices, but it has also depleted the resources of most colleges. The result is a double-whammy. There's more work for aid offices, but usually no additional staff or resources to do it.

You can read the article online: [More students line up at financial aid office.](#)

## Academic achievers don't always make smart financial aid decisions, economists find

They may be the best and brightest of their generation, but many high academic achievers don't know what's good for them when responding to financial aid offers.

That, at least, is the assessment of Harvard economists Christopher Avery and Caroline M. Hoxby. Avery and Hoxby studied the college selection process of more than 5,000 college-bound seniors with high grade point averages.

In making academic choices, students in the study made what many might consider rational decisions. They saw college as an investment in their "human capital," and gave more consideration to colleges' academic reputation and selectivity than other factors.

A large number of the students were less prudent about the influence financial aid had on their college choices. Some were wooed by scholarships with names or titles, even if they offered no more money than other awards with lesser reputations. Many lacked the sophistication to differentiate between the relative value of grant, loan, and work awards. And a number made decisions based on front-loaded financial aid awards — which offer more aid in the first year than in subsequent years.

Subjects from the study had an average combined SAT score of 1357 and an average family income of close to \$120,000. They ranked among the top in their high school class. Forty six percent received at least one scholarship.

The study is available online: [Do and should financial aid packages affect students' college choices?](#) *The Chronicle of Higher Education* published a report about the study. Subscribers can read the story online: [Students don't always respond rationally to financial aid offers.](#)

## Legislative update

Lawmakers in both houses this week have been on the floor debating and voting on bills recommended for passage by the committees. Floor action will likely continue through Wednesday. With the exception of legislation pertaining to the budget, all bills must be passed by their own houses by March 19 in order to stay in play this session.

Once a bill is approved by its own house, it is referred to the appropriate committee in the opposite house for further consideration.

Several bills related to financial aid have already passed the House of Representatives and are moving on to the Senate:

- Substitute House Bill 1731 — changes key provisions in the Educational Opportunity Grant program.
- Second Substitute House Bill 1123 — provides for the carry-forward of financial aid funds from one fiscal year to the next.
- Engrossed House Bill 1079 — authorizes resident tuition for certain undocumented students living in Washington.

The March 27 issue of the *News* will include a full report about which bills passed and did not pass their house of origin by the March 19 cutoff.

For more information about legislation, contact us at (360) 753-7850.

### Legislative hearings — March 17 - 21

After lawmakers wrap up this first flurry of floor action, they return to their hearing schedules on March 20. So far, only one of the bills we've been tracking — EHB 1079 — is scheduled for a hearing next week.

#### Thursday, March 20, 2003

Senate Higher Education Committee, 10:00 a.m., Senate Hearing Room 3

Public Hearing, including:

- EHB 1079 – authorizing resident tuition for some undocumented students living in Washington

### Online resources for tracking and analyzing legislation

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Full text of bills and supporting materials:	<a href="http://www.leg.wa.gov/wsladm/bills.cfm">http://www.leg.wa.gov/wsladm/bills.cfm</a>
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Complete legislative hearing schedule:	<a href="http://www.leg.wa.gov/wsladm/calendar.cfm">http://www.leg.wa.gov/wsladm/calendar.cfm</a>
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Live and archived Web broadcast of all hearings:	<a href="http://www.tvw.org">http://www.tvw.org</a>
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HECB 2003 legislative session site:	<a href="http://www.hecb.wa.gov/Leg/index.asp">http://www.hecb.wa.gov/Leg/index.asp</a>
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## Active bills of interest by subject

For current information about the status of a bill, visit the Washington State Legislature's Web site:  
<http://www.leg.wa.gov/wsladm/bills.cfm>.

Bill numbers Senate House	Sponsors	Description	Passed house of origin	Passed opposite house	Signed by governor
<b>Washington Promise Scholarship</b>					
<b>SSB 5138</b>	Carlson	Allows any student who meets the standard on the reading and math components of the high school Washington Assessment of Student Learning (WASL) to qualify academically for the Promise Scholarship			
<b>SB 5864</b>	Shin, Carlson	Allows some recipients of GED certificates to be eligible for Promise scholarships; recipients must meet family income criteria, be 21 years old or younger at time of application, and achieve an SAT composite score of at least 1200 or an ACT composite score of at least 27 on their first attempt			
<b>SHB 1706</b>	Mastin, Grant	As amended, preserves current eligibility requirements of program; establishes a pilot program where five students from each legislative district may also be chosen because they "have overcome personal or financial barriers and show promise to succeed" in college			
<b>Educational Opportunity Grant</b>					
<b>SB 5676</b>	Kohl-Welles	Changes elements of the Educational Opportunity Grant program; financially needy placebound residents from all of the state's 39 counties may be eligible; recipients could attend branch campuses; HECB establishes grant amounts			
<b>SHB 1731</b>	Kenney, Cox	Changes elements of the Educational Opportunity Grant program; financially needy placebound residents from all of the state's 39 counties may be eligible; recipients could attend branch campuses; grant amounts capped at \$2,500	✓		

## Active bills of interest by subject — continued

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Bill numbers Senate House	Sponsors	Description	Passed house of origin	Passed opposite house	Signed by governor
<b>Conditional scholarships for prospective teachers</b>					
<b>HB 1763</b>	Berkey, Jarrett	Provides conditional scholarship for prospective teachers pursuing certificates in mathematics, science, technology, special education, or bilingual education			
<b>Financial aid carry-forward</b>					
<b>2SHB 1123</b>	Kenney, Cox	Ensures that unspent financial aid funds at the end of a fiscal year are preserved for financial aid purposes through the creation of a dedicated account	✓		
<b>Financial aid refunds</b>					
<b>HB 2113</b>	Morrell, Cox	Permits four-year public institutions to adopt tuition refund policies that reduce aid recipients' liability in required repayments of federal aid			
<b>TANF and WorkFirst related proposals</b>					
<b>HB 2041</b>	Kenney, Boldt	Allows students enrolled in a postsecondary program and earning their full federal or state work study awards to count as full-time WorkFirst participants for up to 24 months			

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<b>Other financial aid and tuition waiver proposals</b>					
<b>SSB 5189</b>	Benton	Exempts veterans of the Korean conflict (active duty from 1950-55) from tuition increases			
<b>SB 5660</b> <b>ESHB 1277</b>	Kohl-Welles, Carlson Kenney, Cox	Companion bills create a supplemental educational assistance grant program for State Need Grant eligible students with dependents; private sources would fund the program	✓		
<b>SHB 1486</b>	O'Brien	Exempts the surviving spouses and children of certain law enforcement officers or firefighters from paying tuition and fees	✓		
<b>SHB 2089</b>	McCoy, Wallace	Creates a new veterans tuition statute to replace existing law; as amended, permits waivers for veterans of wars and, under some circumstances, for their children and spouses			
<b>Higher Education Coordinating Board</b>					
<b>SHB 2076</b>	Kenney, Cox, Fromhold	Replaces Board's current mandate to develop a state master plan for higher education every four years with new guidelines to develop a strategic plan for higher education; authorizes a joint legislative committee to examine and make recommendations for changing or reassigning Board program responsibilities	✓		

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<b>Tuition and residency</b>					
<b>2SSB 5135</b>	Carlson, Kohl-Welles	Requires students with an excess of 120 percent of the credits required for a degree or certificate to pay tuition equivalent to the full cost of instruction			
<b>SSB 5158</b>	Carlson, McAuliffe	Authorizes resident tuition for certain undocumented students residing in Washington; student must have lived in Washington three years prior to graduation and spend full senior year of high school in the state; similar, though not a companion to EHB 1079			
<b>EHB 1079</b>	Kenney, Cox	Authorizes resident tuition for certain undocumented students residing in Washington; student must have attended at least three years of high school in the state; similar, though not a companion to SSB 5158	✓		
<b>SSB 5448</b> <b>SHB 1437</b>	Carlson, Kohl-Welles Kenney, Cox	Companion bills, as amended, extend institutional tuition-setting authority for all but resident undergraduates through 2008-09; existing authority expires June 30, 2003			
<b>Other higher education proposals</b>					
<b>SB 5902</b>	Kohl-Welles	Creates state income tax for individuals with incomes of \$500,000 or more, families with incomes of \$1 million or more; revenue is earmarked for K-12 and higher education			
<b>SHB 2111</b>	Priest, Jarrett	As amended, provides for a legislative study of the feasibility of performance contracts between the state and institutions of higher education			